

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:1497
ANSWERED ON:27.11.2007
ALLOTMENT OF SMALL MINING BLOCKS
Aaron Rashid Shri J.M.

Will the Minister of MINES be pleased to state:

- (a) whether the allotment of small mining blocks is affecting the economy in the scale of production;
- (b) if so, the steps being taken by the Government to discourage the same;
- (c) whether this practice is not productive as the use of low cost technologies for excavating minerals leads to lower minerals realisation;
- (d) if so, the details thereof;
- (e) whether the Government proposes to disband the allotment of small mining blocks;
- (f) if so, the details thereof; and
- (g) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF MINES (DR. T. SUBBARAMI REDDY)

(a) to (d) : Economic viability of mining operation depends on demand for a particular mineral in the market, accessibility to the deposit, depth and thickness of the deposit, method of mining and equipment and machinery used for mining, and not necessarily on the size of the mining lease. However, in order to ensure systematic and scientific mining of major minerals for optimum utilization of the mineral resources, the government has prescribed minimum size of mining lease at four hectares in respect of all major minerals except for beach sand minerals for which the minimum size of mining lease is 2 hectares and for small deposits which are shallow in nature, isolated and do not exceed more than 200 meters in strike length the minimum size of mining lease is 1 hectare.

(e) to (g): Do not arise in view of the reply given to (a) to (d) above.